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SOME CRITICAL QUESTIONS IN THE POLITICAL ECONOMY OF SOCIAL WELFARE - THE CARTER "WELFARE REFORM" PROPOSALS

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The purpose of this paper is to discuss President Carter's welfare reform proposals, appropriately titled, "The Program for Better Jobs and Income." If these proposals are adopted by Congress, they will guide the Administration in its stance toward and its work with the lowest income sectors of the nation: the welfare poor--those who cannot work and must be supported by the government, and the working poor--those who are able to support themselves, but whose yearly income is less than the poverty level.

Consequently, the paper starts with an analysis of what the government documents have to tell us about the scope and nature of poverty in the United States. Then we proceed with a discussion of the current welfare reform proposals--what the Administration intends to do about the persistent entrenched poverty that plagues the nation. Finally, we ask: will the Carter welfare reforms work? We return to the key question posed at the beginning of the paper: Is it possible for the federal government to institute reforms that will result in better jobs and better distribution of income so that the welfare poor and the working poor can maintain a standard of living above abject poverty?

The content of the Carter proposals is constantly being modified: the August 6th version is different from the May 2nd. HEW Secretary Joseph Califano, Jr., has invited "in-depth consultation, . . . to see how our plan should be further developed and refined." He acknowledges "that Washington, D.C. is not the final repository of wisdom and we do not have all the answers, nor even all the questions."[1]

In short, now is the time for social policy analysts and social critics to prepare for the national debate that is bound to ensue during the coming months.

The General Approach of the Carter Administration to Welfare Reform

In June of this year, the Bureau of the Census issued two comprehensive reports: "Money Income in 1975 of Families and Persons in the United States," and "Characteristics of the Population Below the Poverty Level: 1975." At approximately the same time, President Carter announced his proposals for "welfare reform," more

appropriately subtitled "The Program for Better Jobs and Income" in the text of his report.

The census documents, in part, provide the factual and historical data required for an assessment of the relevance of the Carter proposals. Basically what the census documents contain is good sound information pertaining to two sensitive indicators of the effectiveness of economic and social organization in the United States: whether it sustains a large impoverished social class, and whether it distributes income and other resources with equity and equality.

The central question to be answered is: Is it possible for the federal government to institute reforms that will result in better jobs and better distribution of income so that the welfare poor and the working poor can maintain a standard of living above abject poverty?

The facts of poverty. The fact of the matter is that in 1975 there were 25.9 million persons living below the poverty level of $5,500 for a nonfarm family of four. This comprised about 12 percent of the entire population.

The poverty level is a statistical concept developed by the Social Security Administration in 1964 that has come to have profound implications for administrative decision-making. For example, it is used to determine who will receive certain welfare benefits. The poverty index is based on the economy food plan, the least costly of four nutritionally sound food plans, designed by the Department of Agriculture. It provides a range of income cutoffs adjusted by such factors as family size, sex of the family head, number of children under 18 years old, and farm-nonfarm residence. Those who are living below the poverty threshold are experiencing "absolute poverty."

The report highlights the current situation in 1975 for those living in absolute poverty, and presents the trends since 1959 in the following words and numbers:

> There were 25.9 million persons below the poverty level in 1975, comprising 12 percent of all persons. Between 1974 and 1975, the number of persons below the low-income level increased by 2.5 million or 10.7 percent, reflecting the continued inflation and sluggishness in the economy. For example, during this period the poverty thresholds increased 9.1 percent, reflecting the changes in consumer prices, whereas personal income per capita increased only 7.5 percent. In addition, the average annual unemployment rate rose from 5.6 percent to 8.5 percent, and the number of persons

who exhausted their unemployment benefits increased from 2.0 million in 1974 to 4.3 million in 1975. The increase of 2.5 million low-income persons during the 1974-1975 period was the largest single year increase observed since 1959, the first year for which poverty data were available . . .

Between 1974 and 1975, the increase in the number of persons below the poverty level was quite pervasive, occurring for both Black and White persons, for persons of Spanish origin, and for the young as well as the elderly. Particularly large percentage increases were observed for Whites, persons under 65 years, and husband-wife families.[2]

There have been substantial changes over time in the size of the population living below the poverty level. During the early 1960s, from 1959 to 1966, the number and percent of persons living in absolute poverty declined from a high of 39.5 million, or 22.2 percent, to a low of 25.3 million or 12.4 percent. This led many at that time to believe that the War on Poverty had been won. Unfortunately, however, since 1968 there has been little change in the numbers or the proportions: about 25 million persons, 12 percent of the total population, remain in absolute poverty.

Furthermore, it has now become evident that while changes may be effected in "absolute poverty" as measured by the number and percent of persons below the poverty threshold, very little has really been accomplished to further income equality in the nation; that is, very little has been done to effect the "relative poverty." This is perhaps the single most striking finding of the Bureau of the Census report on "Money Income in 1975 of Families and Persons in the United States." Despite the War on Poverty and other governmental efforts of the past decades, there has been no general reduction in income inequality from 1947 to 1975.

Using the simplest measure of income distribution--the share of annual income received by portions of the population ranked by income--the lowest 20 percent of the population has never varied from a 3 to 4 percent share, while the highest 20 percent has always received about 44 percent. In 1975, the income for the highest fifth was $31,466 per year, about seven times the annual income of the lowest fifth, $4,514. These figures are not averages--they represent the upper limits of income for the fifth.

The historical trends presented in these two census monographs add up to a single hard fact about the nature of the American economy. It is an economy that sustains income inequality and absolute poverty for millions of persons. The low-income fifth contains

about 5.6 million families and 9.4 million unrelated persons with annual incomes of less than $4,514 in 1975 and mean incomes of less than $3,000 per year. About half of this income derives from earnings, the balance from government transfer payments and property. Those in absolute poverty experience even a less-favored status.[3]

The economic conditions which produced this situation in 1975 have persisted essentially since the termination of World War II. The economy of the United States apparently is unable to reduce income inequality or absolute poverty to an acceptable level without substantial restructuring of the economy. This should have profound implications for the Carter Program for Better Jobs and Income.

The Theory of the Fluidity of Poverty

Instead, the Carter administration apparently is pursuing another line of reasoning based on another set of facts about the nature of poverty. This can be called the theory of the fluidity of poverty. The theory, and Carter's policy, is based on the premise that there is a "hard core" of poor people, perhaps 6 or 7 million, who should, and must, be supported by the government, but that the majority of the nation's poor, perhaps 7.5 to 10 million people, are able to move out of absolute poverty if they are provided with appropriate government assistance to do so.

This theory is stated clearly by Joseph Califano, Jr., Secretary of the Department of Health, Education, and Welfare, the leading spokesman for the Carter administration on the issue of welfare reform, as follows:

> We have to face the fact in this country, unless we want to defy the laws of all recorded history, that there will be some poor people always.
>
> There are going to be people that are utterly incapable of taking care of themselves, You know, blind people that are seriously disabled will need some kind of help. There are going to be small children who have the misfortune of being put in families, being born into families or non-families, where there is no one to take care of them. Either we can write them off and say we are not going to take care of them, or we can, as we have as a civilized society since the New Deal, take care of those children. If we looked at the numbers . . . (at the) . . . irreducible three percent . . . (there are) . . . still . . . six or seven million people that will need help from somebody.

> (However), this country is not full of people that have been sitting on welfare for three generations. That is a really pernicious--I use the word advisedly--myth. Let me take the opportunity of pointing out how fluid this population is.
>
> Each year, 7.5 to 10 million people move above the poverty line in this country, and a like number unfortunately become poor. The one study we have done, which is from 1967 to 1972, (shows that) only three percent of the American population was poor in every one of those six years. It is still a large number of people. And I realize that. But the other side of it is (that) more than 20 percent--actually 21 percent of the people who were poor--of the American population was poor at least in every one of these years.
>
> So while the poverty percentage in this country hovered at 11 percent, about a quarter of the population at risk in any given year during that 6-year period, people moved in and out of poverty. In every one of those years, 30 to 40 percent of the poor in one year were not poor in the next succeeding year. So people can move, and they can move out of poverty.

The Carter administration theory of the fluidity of poverty follows clsoely the Brookings Institution analysis of income security policy by John L. Palmer and Joseph J. Minarik. Palmer and Minarik hold that the major reductions in absolute poverty in the period of 1959 to 1975 were caused by a combination of "strong economic growth during the 1960s and the increased antipoverty effectiveness of public transfers in the last decade."[4] By public transfers they refer to government cash programs such as Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), Social Security, Unemployment Compensation, and other programs, as well as the "in kind" transfers such as Food Stamps (FS), Medicaid/Medicare, Child Nutrition, and Housing Assistance. For example, Palmer and Minarik cite government studies indicating that in 1972, 85 percent of the total food stamp bonuses, 74 percent of public housing benefits, and 75 percent of Medicaid expenditure were received by those whose pretransfer incomes were below the poverty level.[5]

The transfer programs are less effective with certain groups than with others. For example, cash transfers were far less effective in helping the poor in male-headed families with children than they were for the aged. Moreover, according to Palmer and Minarik, the effectiveness of transfer payments in removing female-headed families from poverty has not increased since 1959, in contrast to their increasing effectiveness for other demographic groups.

The importance of government transfer payments to low-income families is clearly shown in Table 1.

TABLE 1

Percent Distribution of Aggregate "Money Income"

For Families and Unrelated Individuals by Poverty Status in 1975

(Numbers in Thousands)

Type of Income	Above Poverty Level: Families	Above Poverty Level: Unrelated Individuals	Below Poverty Level: Families	Below Poverty Level: Unrelated Individuals
Mean Income (Dollars)	$16,882	$8,319	$3,100	$1,573
Total	100.0	100.0	100.0	100.0
EARNINGS	85.5	72.3	41.5	22.3
OTHER THAN EARNINGS	14.5	27.7	58.4	77.7
Government Transfer Payments	7.1	13.5	52.7	70.3
Dividends, Interest, Rent	4.2	8.2	1.8	3.9
Pensions, Annuities, Alimony	3.2	6.0	3.9	3.5

Source: U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 106, "Characteristics of the Population Below the Poverty Level: 1975," U.S. Government Printing Office, Washington, D.C., 1977, pp. 154, 156, 159, 161.

Table 1 indicates that over 70 percent of the aggregate "money income" of unrelated individuals and almost 53 percent of the aggregate money income of families living below the poverty level derived from government transfer payments in 1975. In contrast, small proportions--7.1 percent and 13.5 percent--comes from this source for families and individuals above poverty.[6]

Several low-income categories rely more on welfare checks for their aggregate income than others, as for example:

	Percent of income received from transfer payments
2,430,000 families with a female head	65.9
1,513,000 black families	60.5
728,000 families with head 65 and over	89.0
2,125,000 individuals 65 and over	93.3

A more detailed analysis of the source and types of income appears in the Census Report on "Money Income in 1975 of Families and Persons in the U.S." It shows that most families depend on income from both earnings and property, 63.4 percent, whereas smaller proportions rely on either their earnings only (24.6 percent) or nonearned income (11.8 percent).

As the family becomes more affluent, the importance of earnings and property combined predominates. About 1 percent of the income of persons in the upper-income fifth is not earned; 18.8 percent comes from earnings alone, and 80 percent from earnings and property investment. In fact, it is evident that wealth is more unequally distributed than annual income in the United States. In 1972, 32.5 million or slightly under one-fifth of the population of the United States owned corporate stock. The wealthiest 1 percent owned 61 percent of all corporate stock, real estate, cash, bonds, insurance, equity, pension-fund reserves, and personal trusts.[8]

In contrast, the poor owe more than they own. Families in the lowest-income fifth are much like the families below the poverty level. About half (46.1 percent) of the families in this category are dependent on government transfer payments and pensions for their livelihood.

Table 2 is a 100-percent chart showing the amount of income by its source for all families with less than the median family income of $13,719 in 1975. The horizontal axis identifies the amount of the family income at each thousand-dollar level. The vertical axis divides the chart into decile units indicating the proportion of income allocated to each source. For example, of all the families with less than an income of $2,000 in 1975, 28 percent was derived from earnings only, 34 percent from earnings and other income than earnings only, 17 percent from other income from nonearned sources, and 21 percent from Social Security and/or public assistance only, or both.

From an inspection of the chart, it is apparent that families having incomes of more than $8,000 get very little of this from transfer payments. It is unlikely that this situation will change in the future, even if the Carter "welfare reform" proposals are enacted into law. As will be seen, an $8,400 ceiling is placed on cash transfer payments under the Carter proposals. It should be noted, however, that the income figures in the chart do not include nonmoney transfers such as food stamps, health benefits, and subsidized housing, as well as other forms of nonmoney income such as rent-free housing, goods produced and consumed on farms, the use of business transportation and facilities, capital gains, and other benefits.

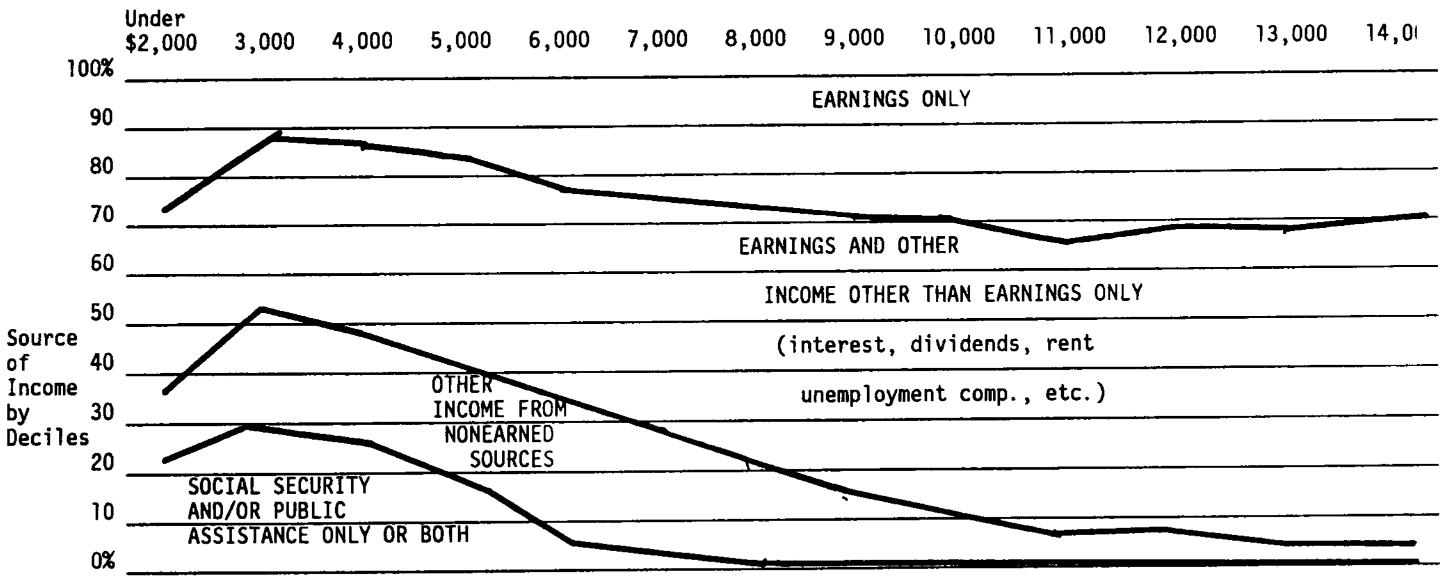
The importance of transfer income in alleviating absolute poverty is also indicated by an analysis of trends in federal government expenditures. For example, payments to individuals (in cash and kind) and grants to state and local governments to administer some of these programs rose from $12.1 billion in 1955 to $167.4 billion in 1967. This comprised 3.2 percent of the nonrecession gross national product in 1955 and 8.4 percent in 1977. According to Charles L. Schultze:

> Developments in three major types of program explain almost nine-tenths of the growth in the ratio of domestic federal expenditures to GNP between 1955 and 1977. (1) The rapid expansion of retirement, disability, and unemployment compensation was responsible for slightly more than half the growth. (2) The introduction of new low-income assistance programs providing food, medical, and housing benefits to the poor, and subsequent increase in both these benefits and the older cash welfare payments, accounted for 14 percent of the

TABLE 2

What Was the Source of Money Income of Families
Below the Median Family Income of $13,719 in 1975?

FAMILY INCOME LEVEL (in dollars)



Source: U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 106, "Characteristics of the Population Below the Poverty Level: 1975," U.S. Government Printing Office, Washington, D.C., 1977, Table 31, pp. 130-131.

growth. (3) The introduction and the rapid expansion, especially between 1965 and 1970, of new social growth and social investment programs contributed about 18 percent of the growth.[10]

As will be seen later in the paper, the Carter "welfare reform" proposals are designed at least in part to put a tight lid on these zooming federal expenditures.

Conclusion

There can be no denying that government transfer payments contribute much to the livelihood of the poor. They constitute probably a good half of the annual income of most low-income families and individuals. However, given the recorded experience of the last two decades, there is no sound body of evidence as yet in support of the theory of the fluidity of poverty, given the present level and distribution of transfer payments, and given the present uncertain economic conditions: high unemployment, high underemployment, relatively low wages for selected occupations and geographic areas, widespread and uncontrolled inflation, and a regressive tax system.

Furthermore, there are many obstacles, dilemmas, and contradictions which must be solved to make the transfer strategy work. The Carter "welfare reform" is an attempt to solve these problems, to transform government transfer payments into an escalator out of absolute poverty for the welfare poor and the working poor. In the sections that follow, we will deal with each of the major proposals and show its relevance to the preceding analysis.

The Carter Welfare Reform Proposals

President Carter's Program for Better Jobs and Income has emerged gradually during the first 8 months of his administration.

If some reluctance and tentativeness has been shown by the Administration in addressing the task, that is understandable because welfare reform has been the submerged reef on which many presidential administrations have floundered. HEW Secretary Joseph Califano calls welfare reform "the Middle East of domestic politics" with just cause.

The first version of the program was introduced in a televised message to the nation by President Carter on May 2nd. Subsequently, on May 24, HEW Secretary Califano issued a "tentative working draft" of two "major program initiatives--a jobs program to reach low-income Americans and a consolidated cash assistance

structure that, at a minimum, replaces the Aid to Families of Dependent Children, Supplementary Security Income, and Food Stamp programs." Finally on August 6, as Congress adjourned for its summer recess, the finished product was submitted for Congressional consideration.

The President emphasized the need for welfare reform in the following words:

> In May after 4 months of study, I said that the welfare system was worse than I expected. Each program has a high purpose and serves many needy people, but taken as a whole the system is neither rational nor fair. The welfare system is anti-work, anti-family, inequitable in its treatment of the poor, and wasteful of taxpayers' dollars.[11]

He underscored his earlier conclusion of May 2nd that:

> The most important unanimous conslusion is that the present welfare programs should be scrapped and a totally new system implemented.[12]

What is the "present welfare system" that President Carter intends to scrap? The components are clearly identified in the Administration's proposals.

First of all, it should be noted that these proposals cover only a small portion of the welfare system as it is presently constituted. Social welfare expenditures in fiscal 1976 consumed $331.4 billion in national budget outlays.[13] This figure includes all the cash benefits, services, and administrative costs for all programs operating under public law that are of direct benefit to individuals and families. The programs included are those for income maintenance through social insurance programs and public aid, and the public provision of health, education, housing, and other welfare programs, i.e., what are usually considered as public social welfare expenditures.

In contrast, the scheduled reform under the Carter proposals will replace $26.3 billion in current programs that provide income assistance to low-income people. The programs and their cost to the federal government in 1978 dollars are listed below:[14]

AFDC	$6.4 billion
SSI	$5.7 billion
Food Stamps	$5.0 billion

Earned Income Tax Credit	$1.3 billion
Stimulus Portion of CETA Public Jobs	$5.5 billion
WIN Program	$0.4 billion
Extended Unemployment Insurance Benefits (27-39 weeks)	$0.7 billion
Rebates of per capita share of Wellhead Tax[15] Revenue to Low-Income People if Passed by Congress	$1.3 billion
Total	$26.3 billion

In addition to these expenditures, the program will produce savings in other related programs amounting to $1.6 billion. This includes savings in: decreased unemployment insurance expenditures, $0.4 billion; HEW program to reduce fraud and abuse, $0.4 billion; decrease in required housing subsidies due to increased income, $0.5 billion; increases in Social Security contributions, $0.3 billion.

It is evident that the part of the welfare system scheduled for reform is that which provides income assistance to low-income people, namely those affected most directly by government transfer payments. Also, it is these income security transfer programs which have had such a phenomenal growth since 1960.

According to Palmer and Minarik, the income security transfers have risen from 24 percent of the federal budget in 1960 to an estimated 42 percent in 1977.[16] The total federal expenditure in 1977 is estimated to be $183.0 billion.

Furthermore, income security expenditures have the potential for dramatic expansion. While the present enrollment of families eligible for AFDC is estimated at 90 percent and little growth is expected in this program, the same cannot be said about the food, housing, and health programs. Only about 50 percent of those eligible to receive food stamps actually participate in the program. Less than 15 percent of the low-income poor entitled under the law since 1968 to home ownership and rental assistance have received it because of limited appropriations. Medical costs continue to spiral upward. Continuing high rates of unemployment

and inflation contribute to the problem. In short, the cost of income transfer programs is an ever-increasing part of the feceral budget.

It is about this fact of life that President Carter refers when he says:

> In my May 2 statement I established as a goal that the new reformed system involve no higher initial cost than the present system. It was my belief that fundamental reform was possible within the confines of current expenditures if the system were made more rational and efficient. That belief has been borne out in our planning. Thereafter, Secretary Califano outlined a tentative no-cost plan which embodies the major reform we have been seeking.[17]

The President wants to keep the lid on welfare spending--a difficult task. For he frankly acknowledges that the new programs will have a total cost of $30.7 billion, which is $2.8 billion in spending <u>above</u> the costs of existing programs.[18] In addition, he reports that an additional $3.3 billion in tax relief may be given to working low- and moderate-income taxpayers through an expanded income tax credit.

Thus the total costs of Carter's welfare reform proposals may well be close to $35 billion rather than the lesser estimates. Even so, this does not constitute all the welfare reform anticipated by the Administration. Later in the year there will be presidential proposals for tax reform legislation and restructuring of the Social Security system.[19]

What the President is saying is that there will be little additional cost now, initially, for my welfare reform package, but it is designed to prevent any great expansion in welfare spending for the poor in the immediate future.

Controlling the growth of federal spending and reassessing the feceral government's role in society were two of the major themes in the 1976 election campaign. These are the central concerns of the Carter welfare reform proposals.

How does he plan to do this? How will welfare reform "transform the manner in which the federal government deals with the income needs of the poor, and begin to break the welfare cycle?" In this paragraph and the ones that follow, the words in quotes are the direct statements of the President.

A four-point strategy is proposed:

1. Reduce the number on welfare by introducing "tougher" standard rules for eligibility.

First of all, work is a mandatory precondition for many groups if they are to receive government income support. "All two-parent families, single people, childless couples, and single parents with no child under 14, are expected to work full-time and required to accept available work. Single parents with children aged 7 to 14 will be required to accept part-time work which does not interfere with caring for children, and will be expected to accept full-time work where appropriate day care is available."[20]

Only those who cannot work--the aged, sick, blind, disabled, and single-parent family heads with children under 7--are exempted.

Thus the proposed program initiative would clearly establish a two-tier system of welfare recipients: (1) the upper earned-income supplement tier, and (2) the lower income-support tier.[21]

"The upper tier benefit level for a family of four will be $4,200 in 1978, approximately 65 percent of the poverty threshold and exceeding the bonus value of food stamps plus the federal share of AFDC in all but two states. The national basic benefit for aged, blind, or disabled couples and individuals exceeds the current federal SSI benefits plus the bonus value of food stamps. The Administration's proposal extends federal cash assistance for the first time to single individuals and childless couples, and establishes national basic benefit levels that would be nearly 50 percent higher than the bonus value of food stamps.

Benefits on the lower tier are designed to preserve an incentive to work. The benefit will augment the earnings of the working poor, provide cash assistance while families and individuals search for jobs, and provide a level of income protection for children if a parent refuses to work. The proposal calls for an 8-week period of job search with a cash assistance of $2,300 for a family of four, followed by an increased benefit of $4,200 if no job is available. Benefits will be reduced after the first $3,800 of earnings by 50 cents for each dollar. A four-person family ceases to be eligible for benefits at an income of $8,400.

A wage earner in all families with children on the lower tier will be required to work. In two-parent families, the wage earner with the longest experience will be required to work. The latter provision will obviously discriminate against the woman in two-parent families where both parents desire to work, if government services are provided only for the male head.

The institution of a mandatory work requirement drastically modifies the principle that "all citizens are entitled and should regard themselves as entitled to receive an adequate income."[22] In particular, it would alter the primary goal of the Aid to Families of Dependent Children program: that of strengthening family life. It would deny that all mothers have a right to income support to enable them to take care of their children themselves and should not have to go to work. Although self-support has also been an acknowledged goal of the program since revisions in 1962, little has been done hitherto to implement this requirement administratively.[23] To be sure, there are mitigating aspects to the Administration's proposal for AFDC mothers, as indicated above. However, the proposal does away with income as a right and makes it contingent upon willingness to work.

The imposition of a work requirement is not the only change in the rules of eligibility proposed in the reform package. Changes are also required: (1) in who may apply for benefits (filing unit); (2) in the "countable income" or income that counts in determining eligibility; (3) in assessing standard assets "to assure that people with substantial assets, such as a bank account," do not receive a benefit; (4) in the nature of the accounting period; and (5) in the system for filing regular income reports. The Administration views these changes as essential because at present procedures vary greatly among the states and between the programs to be incorporated in welfare reform. The adoption of uniform rules will allow for decentralized administration of the vast program among the states while maintaining federal standards. It will also significantly reduce the number of beneficiaries of the program.

For example, the proposed change in filing unit would discourage two nuclear families on welfare from living in the same household by denying benefits to one of the families. Single persons who are not aged, blind, or disabled may apply separately for benefits only if they are living alone or with nonrelatives. The benefits of aged, blind, and disabled persons will be substantially reduced if they live in the household of another and do not bear a pro rata share of the household's expenses. Students who live away from home may not apply separately for benefits if they are claimed as dependents for federal income tax purposes.

The Administration proposes a change to "retrospective accountable periods." Present programs use prospective periods of varying lengths (3 months in SSI, 1 month in AFDC and food stamps) for determining need. An applicant's entitlement is determined by anticipating income.

The Administration's proposal will measure income retrospectively, using an applicant's actual income over the preceding 6 months. The Administration offers several weighty reasons for the change: that it would prevent families with relatively high but irregular incomes from receiving benefits; that it would help avoid the problem of overpayments; that it would prevent manipulating income and welfare through sporadic work efforts.

On the other hand, a shorter accounting period is more responsive to emergency and sporadic needs. Furthermore, shorter accounting periods have the effect of redistributing assistance to a larger population. The assumption of savings implied by longer accounting periods has not been proven in real family situations.

There is abundant evidence in the census reports and other government sources that employment for many low-income workers is sporadic, and that they are likely to work on jobs which are unprotected by unemployment insurance. Lengthening the waiting period for government assistance would be just one more hardship.[24]

It is difficult to assess the number of persons that would be affected by a change in the rules for eligibility. A variety of studies document how welfare authorities can constrain the choice of potential users of welfare by imposing a work requirement and can lower the value of assistance by making its receipt distasteful. All of these show that a change in rules and regulations can be effective for limiting the population served.[25] What they do not show very well is that they can motivate people to go to work. That is the second of the Carter strategies for welfare reform!

2. Transform the welfare poor into the working poor whenever possible.

Not a single person is guaranteed a steady job at decent pay under the provisions of the President's Program for Better Jobs and Income, with the exception of those who administer the program. However, it promises that "a new effort" will be made by "state and local officials . . . to match low-income persons with available work in the private and public sector, . . . to assure an unbroken sequence of employment and training services, including job search, training, and placement."[26]

In essence, job opportunities are to be provided to welfare recipients, primarily to AFDC mothers and other low-income persons. This is the way that President Carter proposes "restoration of the work ethic in our country":

> Dramatically reduce reliance on welfare payments by doubling the number of single-parent family heads who support their families primarily through earnings from work. Combine effective work requirements and strong work incentives with improved private sector placement services, and create up to 1.4 million public service jobs. Forty-two percent of those jobs may be taken by current AFDC recipients. Those who can work will work, and every family with a full-time worker will have an income substantially above the poverty line.

The proposed program stresses private sector employment. President Carter emphasized the principle that "incentives will always encourage full-time and part-time private sector employment." A fiscal reason is given for this by President Carter:

> It is obvious that the more jobs that are made available by private industry and public regular employment and in public service jobs and training jobs, the less cash supplement will be needed.

When private sector employment is unavailable, "public training and employment should be provided." The public service jobs will be full-time and will pay the minimum wage. Training stipends will equal about 85 percent of wages from a full-time minimum wage job.

In general, state and local agencies will be responsible for the employment placement process and the public job and training programs under the supervision of the Department of Labor. Local administration of public jobs programs is one of the Carter principles for welfare reform.

The incentives for work include the following: "(a) Those whose family sitautions are such that they are deemed 'expected to work' are given a lower level of cash benefits if they do not work or if they refuse an appropriate job that has been offered. (b) Cash benefit payments are reduced for those who are earning income, but not by so much that work fails to be worthwhile. (c) The Earned Income Tax Credit will increase the financial rewards of work in regular employment compared with public service employment, by being made inapplicable to earnings from public service employment. (d) To help all single-parent families with children under 14 with the special work expense of child care, a deduction from income for child care expenses will be allowed in calculating the family's cash benefits."[27]

By providing these inducements President Carter hopes to transform the welfare poor into the working poor. The proposal is somewhat

fuzzy about the exact number of jobs that will be required, and the census data on poverty are not organized in a way that accurate estimates can be made. However, the data do indicate that almost 60 percent of the families below the poverty level had one or more persons working during 1975. Almost half of the male-headed families and a quarter of the female-headed families worked full time for below poverty-level incomes, and a large proportion worked part time. Families with male heads averaged 37 weeks of work during the year, while for female heads and unrelated individuals the average was 29 weeks during 1975.[28] If the work experience of people living below the poverty level is similar to those receiving welfare payments, it would seem that there is no lack of work motivation on their part.

While the census data are such that hard conclusions cannot be drawn, there are a number of excellent research studies on the subject. In particular, the work and welfare patterns of AFDC families can be pinpointed rather accurately. One review summarizes the research findings as follows:[29]

> The turnover in the welfare population is high. Estimates of the average number of months spent continuously (spells) on AFDC vary from under 2 years to over 3 years, reflecting regional variation. The length of spells on AFDC are associated with differences in family structure and labor-market experience. Male-headed families and families with a head who has a good chance of becoming employed are more likely than female-headed families and families of limited employability to leave welfare. Whites, those with higher nonwage income, and those with better labor-market opportunities, all have better prospects of leaving welfare. Once off welfare, nonwhites and those whose expected wage is below the legal minimum are more likely to return to welfare. Over the long term, changes in annual family income are rather small for most units in the low-income population, including AFDC families. Therefore, most low-income families remain at risk for long periods. Unemployment or other small changes frequently result in their return to welfare.

The picture that one gets of life opportunity below the poverty level is that it offers a choice between temporary low-paying jobs or welfare, and little else.

The research studies also indicate that variations in the welfare administrative structure also is of cricual importance in determining welfare experience over time. Families are more likely to remain on welfare the more generous the welfare program they face. Generosity may take the form of high guarantees, low tax rates, or lenient administration. While reemployment, the return of an

absent male head to the family, or toughened administration may result in short-term success, i.e., the removal of families from welfare dependency, such success will often be temporary.

3. The Carter reform plans to standardize welfare benefits and "ensure" that work will always be more profitable than welfare, and that a private or nonsubsidized public job will always be more profitable than a special federally funded service job." This is the third strategy for welfare reform.

Not only is there great variation currently in the welfare benefits among the states, but in some states it is possible to have more income on welfare than by working full time. President Carter cites several examples:[30]

*Current combined state and federal AFDC benefits for a family of four with no income vary from $720 per year in Mississippi to $5,954 in Hawaii.

*In Wisconsin, if a father quits his full-time job at an income of $5,691 (after taxes, tax credits, and food stamps) and took a half-time job at the same wage scale, his income would jump to $6,940 on welfare.

*In Michigan, a family of four with the father working full time at minimum wage has a total income of $5,678. The same-sized family, without the father in the home with still four people there, not working at all, has an income of $7,161. If the mother goes to work at minimum wage, the family has a total income of $9,530.

The solution proposed is to: (1) consolidate the three major welfare programs serving the poor (AFDC, SSI, Food Stamps) and replace them with a single system of cash assistance; (2) standardize the rules for eligibility among the 50 states; (3) establish a national basic benefit for all welfare recipients; (4) encourage states to add to or supplement the national basic benefit; (5) enforce the minimum wage provisions during the process of job placement.

Where unsubsidized jobs are found in the regular economy, they must pay at least the federal minimum wage or the state rate, if it is higher. Placement on jobs in the new Public Service Employment Program is "carefully designed to avoid disruptive effects on the regular economy," and "the basic wage rate will be kept at, or where states supplement, slightly above the minimum wage."[31]

Thirteen major categories of public service jobs are identified including: aiding the elderly and the sick, providing childcare,

paraprofessionals in the schools, improving public safety, building and repairing recreational facilities, cleaning up neighborhoods and controlling insects and rodents, monitoring environmental quality, weatherizing homes to save energy, and others.

In one sense the Carter proposals represent a well-organized campaign under federal auspices to downgrade the standard of living of the welfare poor, for it is likely that the standard of living will be altered downward for those fortunate families of the welfare poor whose government checks now supply them with a higher annual income than the working poor. In order to enhance the work incentive, their income will have to be reduced below that of the working poor. Moreover, trade union members and professional groups may view the Carter proposals as a threat to their employment, for a large pool of low-paid government workers will be created if the Carter proposals are adopted--even if that is not their intent. The public service jobs are clearly identified as one-year placements, essentially for the purpose of training, and are open only to unemployed applicants who must have spent at least 5 weeks in prior search for an unsubsidized job in the regular economy. Moreover, the public jobs are restricted to work not currently being done by local and state governments.

However, there is so much work of the nature described as appropriate to subsidized employment that requires doing, and is not being done now, that a great pressure will be created on local governments to apply for the federal subsidy. Sponsorship of public job programs will not be limited to governmental auspice, but may include other nonprofit organizations as well. This will increase the demand.

Finally, the proposal states that "subsidized jobs will be used only as a last resort for those who cannot find regular nonsubsidized employment."[32] Many local communities have already passed the "last resort"; they are in fiscal crisis with high levels of persistent unemployment. This is apparent to the Carter administration, for one of the major goals of the welfare reform is "to give significant financial relief to hard-pressed state and local governments."[33]

4. <u>Streamlining the administration of welfare programs</u> is the <u>fourth part of the Administration's strategy of welfare</u> reform. To be successful, the willing and active cooperation of state and local governments is needed, for public assistance has been a shared responsibility for the past 40 years. In giving relief to "hard-pressed state and local governments," the federal government paves the way for compliance and cooperation. Administrative procedures and standards may

ultimately be established at the federal level, but they must be implemented at the local level. It is at that level that the consumer of welfare benefits becomes a part of the system.

Many of the proposals for strealining administration of welfare programs have already been discussed elsewhere in the article. However, President Carter has stated three additional objectives which seem relevant to administrative practice for their success. The are:

> Reduce fraud and error, and accelerate efforts to assure that deserting fathers meet their obligations to their families.
>
> Provide strong incentives to keep families together rather than tear them apart, by offering the dignity of useful work to family heads and by ending rules which prohibit assistance when the father of the family remains in the household.
>
> Provide increased benefits and more sensitive treatment to those most in need.[34]

The extent of deliberate fraud on the part of the recipient has always been minimized by the Administration in its discussions of welfare reform. According to President Carter, it is "the complexity of current programs (that) leads to waste, fraud, red tape, and errors."[35] Secretary Califano amplifies the point:

> "As I indicated when we went through the HEW reorganization, there is substantial error rate in these programs. We revealed that the error rate in Medicaid was running about 9 or 10 percent, meaning that 9 or 10 of every $100 we were spending was being spent on ineligible people, not necessarily because there were thieves out there, but because we were making a lot of mistakes--and the complications of the current administrative structure makes a lot of mistakes inevitable."

By consolidating the current programs into a single cash program, and by establishing uniform rules of eligibility among the states and local units, the Administration believes that it can reduce fraud and error. Its estimate of savings in the reduction of fraud and abuse, if the new system is implemented, is $0.4 billion, little more than 1 percent of the cost of the program.

While much is said in the proposals about the desirability of keeping families together, the context is largely that of fiscal economy rather than the provision of social services directed toward this end. To be sure, subsidies for childcare will be made available to mothers of young children who are required to work as

a precondition for government assistance. However, is this a program for keeping families together or keeping families apart?

Even less attention is devoted by the Administration to specific proposals to "provide increased benefits and more sensitive treatment to those in need." Sensitive treatment implies the provision of an adequate program of social services. But social services are mentioned only as a byproduct of the public services employment program. They would be performed largely by untrained personnel in programs in which the structure guarantees a complete turnover each year. It should be remembered that social services (job counseling, training, day care, rehabilitation, and personal services) are critical to an income maintenance system which deals with people on a basis of their availability for work.

To be sure, the Administration is now aware of the excessive amount of paperwork that flows through the welfare system and that is a barrier to sensitive treatment of the consumer. Secretary Califano cited an exhibit of the State of California where the welfare recipients have to fill out "7 feet of forms." "Incredible!" he exclaimed. "It is that kind of an unbelievable morass that we have leveled on the American taxpayer and the American people."[36]

The streamlining of the administration of social welfare will be a complicated and time-consuming process. If only for this reason, welfare reforms, if adopted by Congress, will not go into effect until 1981.

<u>Will the Carter Welfare Reform Work?</u>

There is an addiction to euphemism in the White House. Whereas President Johnson proclaimed to the nation over a decade ago that he (the Administration) would "win" the War On Poverty, now President Carter, in softer accent, makes a similar declaration for :welfare reform":

> In 1981, this program will provide for families with children and one parent able to work: (a) a total minimum income <u>20 percent above the 1981 poverty line</u> if a job in the regular economy can be found; or (b) a total income <u>13 percent above the 1981 poverty line</u> if a subsidized job must be provided.

To accomplish this pledge will require more in the way of a revolution than there appears to be in the welfare reform proposals of the Carter administration.

At the beginning of this article we posed the key question: Is it possible for the federal government to institute reforms that will result in better jobs and better distribution of income so that the welfare poor and the working poor can maintain a standard above abject poverty?

The Administration's answer to this question is partially in misleading and optimistic estimates such as those cited above, and partially in a realistic set of procedures aimed at establishing tight controls over runaway welfare expenditures. If these procedures are instituted and made to work, experience tells us that by 1981 conditions at least as bad and probably worse will prevail in the nation. They will be the conditions reported in the 1975 census reports: 25 to 40 million welfare and working poor with the lowest-income fifth receiving less than 4 percent of the aggregate income of the nation.

President Carter's pledge to solve the problems of poverty is based on the contingency: "if a job in the regular economy can be found." This contingency is not underlined in the quote above. Nor does it receive appropriate attention in his proposals for welfare reform. Instead it is stressed that public employment will be offered, but "as a last resort," that "incentives will always encourage . . . private sector employment," that the program is "carefully designed to avoid disruptive effects on the regular economy."

Thus the Administration is placing its faith in the theory of the fluidity of poverty. The nation will take care of the "hard core" welfare poor--the aged, sick, blind, disabled, and the mothers of preschoolers. But millions of others below the poverty level will have only "a new effort by state and local officials" to prepare and help them find "job opportunities." Not a single person is guaranteed a job except at minimum pay for a short period of time in the Public Service Employment Program.

There is not enough in the President's proposal either to achieve better jobs or a decent income for people in poverty. In fact, the phrase, "a decent income for those who cannot work" disappears from the final version of the proposal, although it was identified as one of the major goals in the original. The federal government promises only a national basic income benefit of up to 65 percent of the poverty threshold for its favored upper tier of subsidized worker-families, and the balance is up to the beneficence of state and local governments--which are already suffering a fiscal crunch. All the poor, favored and unfavored, are left with is an opportunity for better jobs if they can be found in the regular economy.

On the other hand, there are some good things and some bad things in the proposals for the reform of welfare administration, if arrangements can be worked out with Congress and the 50 states. Among the good things are the consolidation of allied welfare programs, the transformation of benefits into cash benefits, and some of the procedures to make management more efficient and effective. Among the bad things are the many restrictions that would reduce the eligibility of poor people for government aid: subsistence income would no longer be the right of all needy mothers of dependent children, but a privilege to be conferred upon the few who are not required to work.

One set of difficult-to-enforce eligibility criteria is substituted for another set of difficult-to-enforce criteria. A critical problem in this respect is the difficulty of determination of the willingness to work. Friedman and Hausman state the issue succinctly:

> As a practical matter, work tests are unlikely to operate so easily, since much unemployment is involuntary, resulting from labor-market conditions beyond the control of the worker. In addition, some workers have characteristics that employers do not want, making it especially difficult for them to get jobs. Thus work tests cannot require actual work effort of all; they can only demand some sort of evidence that the unemployed worker is seeking a job actively. The actual work requirement can be applied only once a job is available. Prior to that point, work tests usually are work registration requirements requiring only work search on the part of the registrant. However, a test of job search rather than a straightforward requirement of work opens opportunities for evasion. It is not necessarily a success for a work test to return a person to work; that would probably happen anyway. The critical test induces a person into a job more quickly than he would go on his own. Since voluntary unemployment is largely a matter of timing, it is not obvious that a work test will succeed . . . Thus although a work test seems like an obvious device to increase work effort, careful investigation is required to determine whether this is actually the case.[37]

Major social policies such as welfare reform should be based on the findings of empirical research whenever possible, rather than on strictly political considerations. There is little certain evidence that the extensive research on the work and welfare patterns of low-income families has been considered adequately. In contrast, the proposals seem to ignore even the obvious findings of the Bureau of the Census on the persistence and intransi-

gence of poverty, which occurs despite the evidence of widespread work experience among the poor.

Apparently Congress is not waiting for the Carter welfare reform proposals before taking action of its own. In fact, hearings are presently being conducted which would effect many of the changes that are included in the Carter proposals. However, not all of the proposals are beneficent in character. Commerce Secretary Juanita Kreps calls for the withholding of Social Security benefits until recipients reach 68, which runs counter to the present provision of benefits at the ages of 62 and 65. She believes this is necessary to restore Social Security to financial health: actuaries have predicted that the first of several Social Security funds will go dry in fiscal year 1979. This evoked a strong protest from HEW Secretary Califano:

> I absolutely don't agree with that. I think the Older Americans of this country have worked for years, 30, 40, and some of them 50 years, and we have promised them that at age 65 there'll be Social Security benefits to help then to have a comfortable and dignified life as senior citizens."[38]

According to the analysis presented above, the Administration has failed to provide a federal solution to the income and full employment needs of the poor. Does this mean that this is an impossible task for the government to achieve?

The position of the author is that it is not!

An economy capable of generating a gross national product in excess of $1.5 trillion is one that should be able to provide an estimated before-tax income for a family of four of $17,912, or almost $18,000. This is based on statistical calculations from the Department of Commerce by Pamela Roby. She concludes: "In other words, if income were distributed equally or even nearly equally in the United States, not one family or individual would be poor."[39]

Whether income is distributed according to a work requirement or free of it is another question. Certainly there is a backlog of unfulfilled material, cultural, and service needs that are required in the nation that would benefit all of its citizenry, not just the poor. The planning and accomplishment of this work would use millions of workers. And if it seemed that the work was about to run out, then the work week might be shortened, with the dollar savings from this given to the workers or the citizenry at large. Such a plan does not demand either public ownership of the means of production or that work be performed under public auspices,

provided that the owners of the means of production and the citizenry are willing to empower their government to institute the plan.

Such a proposal, of course, seems Utopian under present conditions in the United States. However, anything less than this is unlikely to accomplish the goal of better jobs and decent living standards advocated in the Carter proposals.

Some less radical solutions are also available if the will to implement them exists. For example, the federal government expenditures in fiscal 1977 will amount to about $452.0 billion, about a quarter of the gross national product. There should be ways to allocate government expenditures in the future other than about $1.5 trillion for social welfare and almost $1.0 trillion for defense in the next 5 years.[40] It is ironic that the interest on the national debt is estimated at $40.3 billion for fiscal 1977, as compared with the estimated $35.0 billion for the costs of the Carter welfare reforms.

One source of funds suggested by the Administration to pay for the costs of welfare reform was the rebate of per capita shares of the Wellhead Tax Revenue to low-income people under the National Energy Plan. It is estimated that this would produce an estimated $1.3 billion in fiscal 1978.

This transfer procedure suggests others which also should be supported. Congresswoman Holtzman in 1976 and Congressman Mitchell in 1977 proposed transfer amendments to the Congressional Budgeting Committee which, if passed by Congress, would have relocated about $10.0 billion from the development of new weapons systems and other military expenditures to a variety of social programs such as those suggested in the Carter proposals. They would also have provided relief to state and local governments to meet the work and training needs of the unemployed. Such transfer amendments should be supported.

A minimal plan to accomplish welfare reform would be the support of bills already in the legislative hopper, such as the Humphrey-Hawkins bill for full employment, the Harrington Youth Employment Act, and many bills that call for an upward revision of the minimum wage. Welfare reform probably will come in incremental steps rather than at one fell swoop. And there will be intense struggles every step of the way.

All that is required is the willingness of the citizenry, translated into pressure on Congress to do their part. Of course, given the present lack of imagination and inertia that character-

izes the administrative and legislative wings of the government, as well as the structural barriers that hinder reform, it will nevertheless take concentrated effort by an organized public to make government fly.

In the interests of the working poor and the welfare poor, we must ask for a better effort from the Carter administration. The pernicious consequences of widespread increasing poverty and unemployment demand a more imperative implementation of the timetable than 1981, which is that proposed for welfare reform.

FOOTNOTES

1. Statement of Secretary Joseph Califano, Jr., on Welfare Reform, HEW News, May 25, 1977, p. 2.

2. U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 106, "Characteristics of the Population Below the Poverty Level: 1975," U.S. Government Printing Office, Washington, D.C., 1977, pp. 1-2.

3. The estimates contained in this paragraph are derived from Table 7, p. 41, and Table 13, p. 57, of the Bureau of the Census report on money income, op. cit. The reader should be cautioned that families and unrelated individuals in the lowest-income fifth do not correspond to those below the poverty level. Because of different methods of reporting, an exact comparison cannot be made with the existing documents.

4. John L. Palmer and Joseph J. Minarik, "Income Security Policy,' in Henry Owen and Charles L. Schultze (eds.), Setting National Priorities, the Next Ten Years. (Washington, D.C.: The Brookings Institution, 1976), p. 520.

5. Ibid., p. 525.

6. Money income is the sum of the amounts received from earnings; Social Security and public assistance payments; dividends, interest, and rent; unemployment and workmen's compensation, government and private pensions; and other periodic income. Furthermore, money income is computed before payments for personal income taxes and deductions for Social Security, union dues, Medicare, etc. However, it should be noted that income from nonmoney transfers such as food stamps, health benefits, and subsidized housing--as well as capital gains--are not included in computations.

7. The Bureau of the Census distinguishes three major sources of income in this report: (1) earnings only, (2) earnings and income other than earnings, and (3) income only. The first and third categories are relatively discrete as compared with the second category. The first category identifies workers whose income derives entirely from wages and salaries or self-employment. The third category identifies those persons who have no earned income; they live largely on government transfer payments and pensions, with only a small number also having incomes from property in combination with these other sources. The second category includes both earnings and income from property.

8. These statistical facts are borrowed from Pamela Roby (ed.), The Poverty Establishment. (Englewood Cliffs, NJ: Prentice-Hall, 1974), p. 7.

9. The data on which the chart is based appear in Table 31, pp. 130-131, U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 105, "Money Income in 1975 of Families and Persons in the U.S.," U.S. Government Printing Office, Washington, D.C., 1977.

10. Op. cit., Henry Owen and Charles L. Schultze, p. 335. See also Table 8.5, p. 333.

11. Statement by President Carter on Welfare Reform, August 6, 1977, p. 2.

12. Statement by President Carter on Welfare Reform, May 2, 1977, p. 1.

13. Alfred M. Skolnik and Sophie R. Dales, "Social Welfare Expenditures, Fiscal Year 1976," Social Security Bulletin, Vol. 40, No. 1 (January 1977), p. 1.

14. Statement by President Carter, August 6, 1977, op. cit., pp. 4-5.

15. The item on Wellhead Tax Revenues refers to a provision in the National Energy Plan which calls for rebate of the wellhead tax revenues to taxpayers through the income tax system and to "the poor who do not pay taxes," in effect through income maintenance programs.

16. Palmer and Minarik, op. cit., pp. 507-509, 515-519.

17. Statement by President Carter, August 6, 1977, op. cit., p. 4.

18. Ibid., p. 6.

19. Press conference at the White House on welfare reform, May 2, 1977, involving President Carter, Secretary of the Department of Health, Education, and Welfare, Joseph A. Califano, Jr., and Secretary of Labor F. Ray Marshall, p. 5.

20. Statement by President Carter, August 6, 1977, op. cit., p. 8.

21. The following paragraphs excerpt freely from the HEW News, "Proposal for Welfare Reform," August 6, 1977.

22. National Association of Social Workers, "Issues in Developing a NASW Position on Welfare Reform," mimeographed paper, June 1977.

23. Mildred Rein, "Social Services as a Work Strategy," Social Services Review, Vol. 49, No. 4 (December 1975), pp. 516-538.

24. Barry L. Freedman and Leonard J. Hausman, Work and Welfare Patterns in Low Income Families. (The Florence Heller School for Advanced Studies in Social Welfare, Brandeis University, Waltham, Massachusetts, June 1975), p. 19.

25. Bruno S. Albin and Bruno Steir, "The Constrained Demand for Public Assistance," Journal of Human Resources, Vol. 3, No. 3 (Summer 1968), pp. 300-311. See also Frances Fox Pivin and Richard A. Cloward, Regulating the Poor, The Functions of Public Welfare. (New York: Random House, 1971), Chapter 5.

26. Statement by President Carter on Welfare Reform, August 6, 1977, p. 7.

27. Proposal for "Welfare Reform," HEW News, August 6, 1977, p. 26.

28. See Table 26 and Table 27, U.S. Department of Commerce, Bureau of the Census, Series P-60, No. 106, pp. 105, 106, 110, 112, 113.

29. Friedman and Hausman, op. cit., pp. 28-30. The following paragraphs paraphrase these findings.

30. Statement by President Carter, August 6, 1977, op. cit., p. 2; Press Conference, May 2, 1977, op. cit., pp. 4-5.

31. Statement by President Carter, August 6, 1977, op. cit., p. 7.

32. Proposal for "Welfare Reform," op. cit., p. 6.

33. Statement by President Carter, August 6, 1977, op. cit., p. 2.

34. Ibid., pp. 1-2.

35. Ibid., p. 2.

36. Press conference, May 2, 1977, op. cit., p. 7.

37. Friedman and Hausman, op. cit., pp. 233-234.

38. The Seattle Times, August 28, 1977.

39. Social and Economics Statistics Administration, Department of Commerce, Press Release BEA73-33, "Total and Per Capita Personal Income by States, 1972." In Pamela Roby, op. cit., p. 2.

40. These estimates are the government's own, listed in the Senate Budget Committee release titled "Committee Reports for FY 1977 Budget Adjustments," February 10, 1977, and the First Concurrent Resolution of the Budget--Fiscal Year 1977, Appendix D. They are included in the author's mimeographed paper, "The Implications of the New Congressional Budgeting Process for Legislative Action," presented at the Council for Social Work Education, Phoenix, Arizona, 1977.